

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☐MULTIPLE
ZONE ☒

2. NAME OF OPERATOR

J. M. Huber Corporation (303) 825-7900

3. ADDRESS AND TELEPHONE NO.

1050 17th St., Suite 1850, Denver, Co. 80265

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At surface

1230' FSL & 1295' FWL

4406375 N
517799E

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

8 air miles NNE of Helper, Ut.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drilg. unit line, if any)

1230'

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

3813'

16. NO. OF ACRES IN LEASE

2,473.31

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

19. PROPOSED DEPTH

5,500'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

7,185' graded ground

22. APPROX. DATE WORK WILL START*

Sept. 1, 2000

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" (K-55)	24#	500'	≈438 cu ft & to surface
7-7/8"	5-1/2" (J-55)	17#	5,500'	≈1290 cu ft & to surface

Request exception because of surface concerns (sage grouse). Exception is to quarter-quarter lines (25' instead of ≥460'), not to a well. Orthodox location would move the well into critical sage grouse habitat.

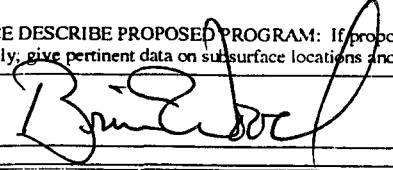
Orthodox well could be drilled at 460 FS & 460 FW 3-12s-10e, but it would be on a south facing slope next to a wetland which provide important habitat for sage grouse. Request permission to drill at 1230' FSL & 1295' FWL 18-12s-10e. This is the only well in the quarter section. There are no producing wells within a half mile. Wells (see Page 9) could be drilled in 7 offsetting units (Huber has a well in the eighth). Huber is owner of all drilling units and leases within minimum 1,230' radius of proposed exception. This includes all 8 directly or diagonally offsetting drilling units.

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cc: BLM (M&P), Huber, UDOGM

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give flow rate, pressure program, if any.

24.  **BRADLEY G. HILL**
SIGNED _____ TITLE **Consultant** (505) 466-8120 DATE **7-31-00**

(This space for Federal or State office use)

PERMIT NO. **43007-30732** APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

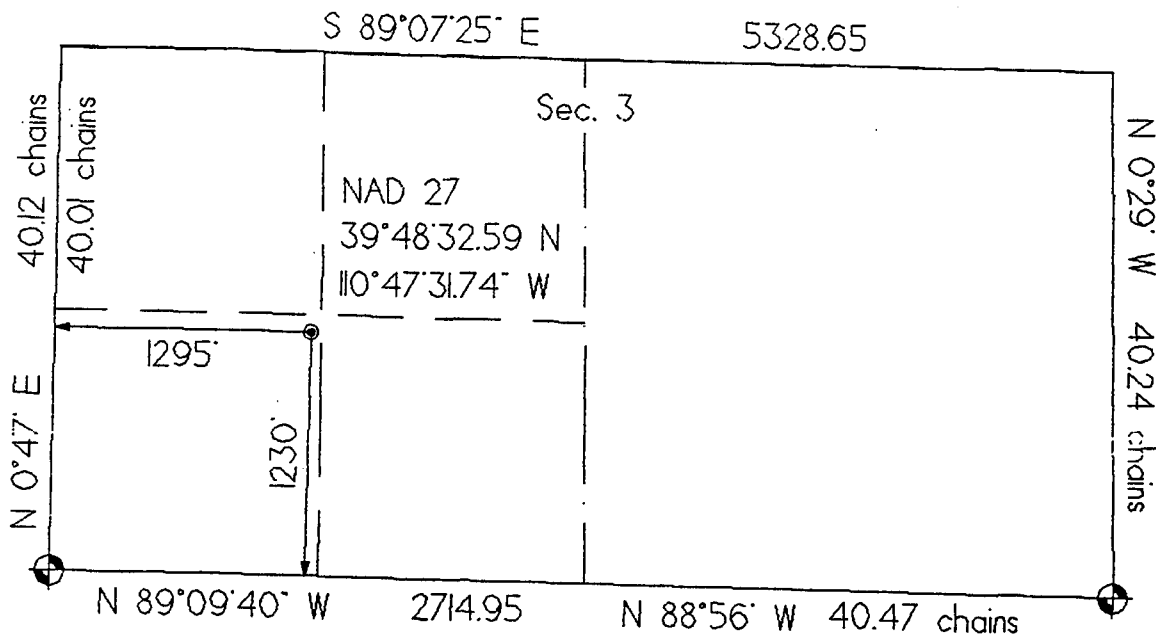
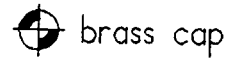
APPROVED BY  **BRADLEY G. HILL** DATE **8/21/00**

*See Instructions On Reverse Side



NORTH

0' 1000'
1" = 1000'



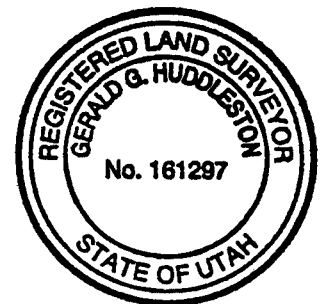
Well Location Description

J.M. HUBER CORPORATION
Huber - Federal 1-3
1230' FSL & 1295' FWL
Section 3, T.12 S., R.10 E., SLM
Carbon County, UT
7185' grd. el. (from GPS)

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9 June 2000

Gerald G. Huddleston
Gerald G. Huddleston, LS

The above is true and correct to my knowledge and belief.

HUDDLESTON LAND SURVEYING - BOX KK - CORTEZ, CO - (970) 565 -3330

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Huber-Jensen/Federal 1-3
1230' FSL & 1295' FWL
Sec. 3, T. 12 S., R. 10 E.
Carbon County, Utah

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Drilling Program

<u>1. Formation Name</u>	<u>Depth from GL</u>	<u>Depth from KB</u>	<u>Subsea Depth</u>
Colton Fm	0'	12'	+7,185'
Flagstaff Ls	50'	62'	+7,135'
North Horn Fm	385'	397'	+6,800'
Price River Ss	3,685'	3,697'	+3,500'
Castle Gate Ss	4,185'	4,197'	+3,000'
Blackhawk Coal	4,485'	4,497'	+2,700'
Kenilworth Coal	5,185'	5,197'	+2,000'
Aberdeen Ss	5,385'	5,397'	+1,800'
Total Depth	5,500'	5,512'	+1,685'

(All depths are based on an ungraded ground level of 7,185')

2. NOTABLE ZONES

Blackhawk, Kenilworth, and Castlegate coals are the goals. No other oil or gas zones are expected. Flagstaff, North Horn, and coal zones are anticipated water zones.

3. PRESSURE CONTROL (Also see "5." on PAGE 2)

A $\approx 10"$ x 2,000 psi double ram BOP with 2,000 psi choke manifold will be used from bottom of surface casing to TD. (A typical 2,000 psi BOP is on Page 3. Actual model will not be known until the bid is let.) BOP system will be tested to 70% of the minimum internal yield before drilling the surface casing shoe. System will be tested at least once every 30 days. Tests will be recorded in the driller's log. BOPs will be inspected and operated daily to assure good mechanical working order.

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1230' FSL & 1295' FWL
Sec. 3, T. 12 S., R. 10 E.
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4. CASING & CEMENTING

<u>Hole Size</u>	<u>O.D.</u>	<u>Weight</u>	<u>Grade</u>	<u>Type</u>	<u>Age</u>	<u>≈Setting Depth</u>
12-1/4"	8-5/8"	24	K-55	ST&C	New	500'
7-7/8"	5-1/2"	17	J-55	LT&C	New	5,500'

Surface casing will be circulated to surface with 365 sx Class G Premium + 2% CaCl₂ + Cello Flake. Weight = 15.6 ppg. Yield = 1.20 cu ft/sk. Excess = 100%

Long string will be cemented to surface with DV tool set at ≈4,000'. Actual volumes will be determined by caliper log.

First stage (≈4000' {=DV} to TD) of long string will be cemented with 285 sx Class G Premium + 1% Microbond + 0.3% CFR-3 + 3% Halad. Weight = 15.6 ppg. Yield = 1.20 cu ft/sk. Excess = 30%

Second stage lead (≈3950' {=50' above DV} to surface) of long string will be cemented with ≈475 sx Halliburton Lite w/ 65/35 poz mix + 2% CaCl₂. Weight = 12.7 ppg. Yield = 1.87 cu ft/sk. Excess = 30%

Second stage tail (≈3950' {=50' above DV} to ≈4200' {200' below DV}) of long string will be cemented with 50 sx Class G Premium + 2% CaCl₂ + Flocele. Weight = 15.6 ppg. Yield = 1.19 cu ft/sk. Excess = 30%

5. MUD PROGRAM

Fresh water gel (weight = 8.3 to 8.7 ppg, viscosity = 40-55, fluid loss = NC) will be used from surface to ≈500. Fresh water gel with caustic (weight = 8.7 to 9.1 ppg, viscosity = 38-45, fluid loss = 10-20 cc) may be used from surface casing shoe to TD. Will also drill with air.

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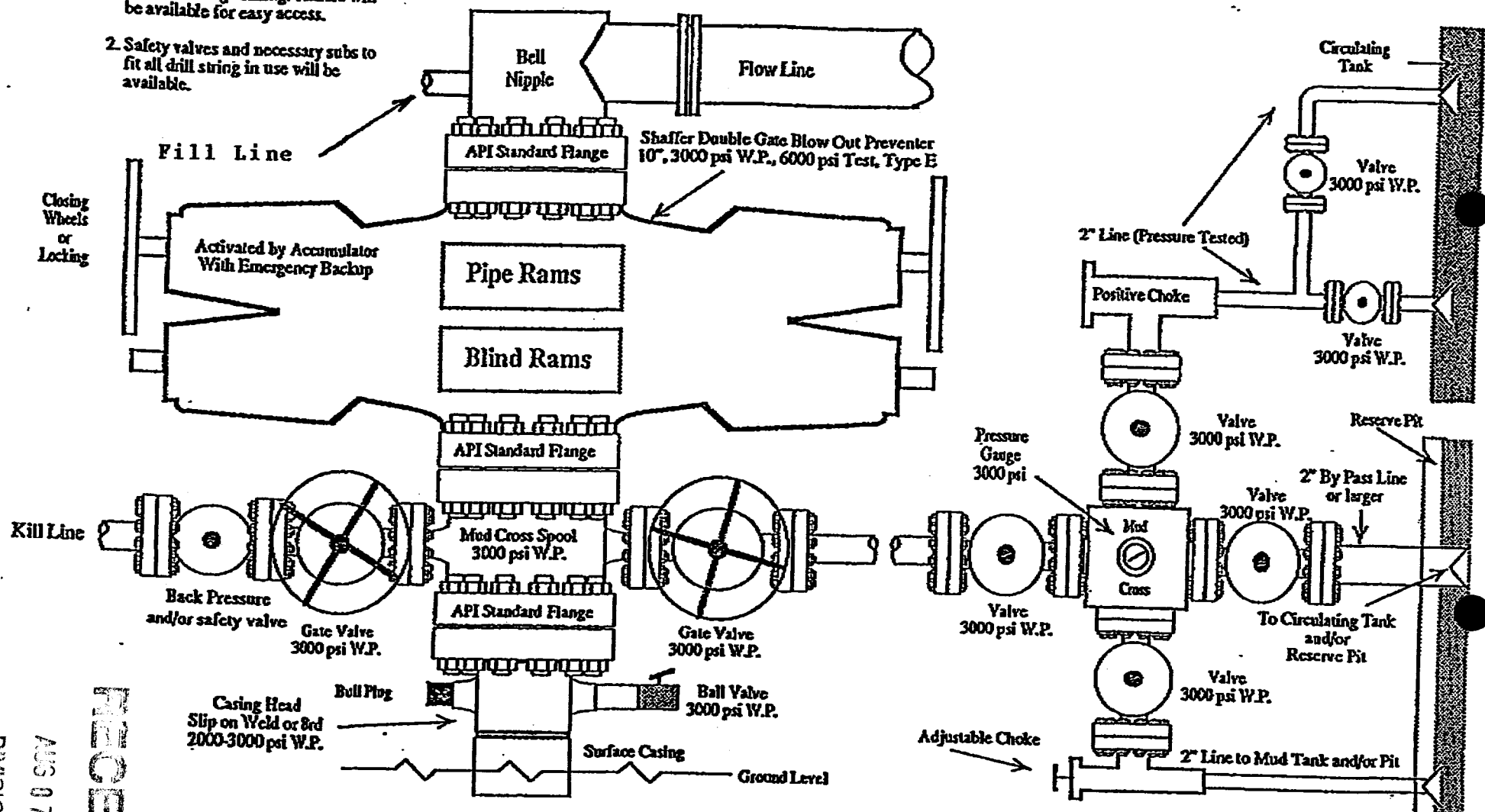
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Pressure Control Equipment

Minimum 2" Choke Line.
Minimum 2" Kill Line.
At Least One 2" Minimum Kill Line Valve.

Note: 1. An upper Kelly cock valve will be utilized during drilling. Handle will be available for easy access.

2. Safety valves and necessary subs to fit all drill string in use will be available.



Note: This equipment is designed to meet requirements for a 2-M rating standard per 43 CFR part 3160 (amended). Proper operation and testing of equipment will be carried out per standard. 2,000 psi equipment can be substituted in the drawing to meet minimum requirements per standard.

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Carbon County, Utah

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6. DATA GATHERING

First deviation survey will be run $\approx 250'$ below BSC. Additional surveys will be run every 500' to TD. Deviation limit will be $1^\circ/100'$ and a maximum of 5° at TD. If deviation exceeds 4° , will decrease WOB, increase RPM, and survey at 250' intervals until corrected. If deviation becomes severe ($>5^\circ$), may use a fourth stabilizer and convert to a full packed BHA.

Mud loggers will be on site from $\approx 1,500'$ to TD. They will have full chromatograph. Will collect samples every 30' from $\approx 1,500'$ to $\approx 2,500'$. Will collect samples every 10' from $\approx 2,500'$ to TD.

Will run following log suites:

HRI/DSN/SDL/GR (EVR Mode): 4000' to TD
HRI/DSN/SDL/GR: BSC TO TD

7. DOWN HOLE CONDITIONS

Maximum anticipated bottom hole pressure is $\approx 2,200$ psi. No hydrogen sulfide, abnormal pressures, nor abnormal temperatures are expected.

8. MISCELLANEOUS

Projected spud date is September 1, 2000. It will take ≈ 2 weeks to drill the well and ≈ 3 weeks to complete the well.

Castlevue Hospital is a half hour drive away in Price on 590 East 100 north. Their phone number is (435) 637-4800.

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Huber-Jensen/Federal 1-3
1230' FSL & 1295' FWL
Sec. 3, T. 12 S., R. 10 E.
Carbon County, Utah

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Surface Use Plan

1. EXISTING ROADS & DIRECTIONS (See PAGES 9 & 10)

From the junction of US 6 and US 191 north of Helper, Utah ...
Go NE 7.8 miles on US 191 to the equivalent of Milepost 165.3
Then turn left on the north side of a stock pen
From the stock pen, go NW 2200' to the far side of a gravel pit
Cross the berm and continue west 250' on a crowned and ditched road
Then turn right and go NNW 1200' on a flagged route to a wash
Bear left and go NW 500' on a flagged route to a ridge
Then bear left and go WNW 550' on a flagged route to the well site

2. ROAD TO BE BUILT OR UPGRADED (See PAGE 10)

The 2,050' of new road will be crowned and ditched with a 16' wide travel surface. A cattleguard and gate will be installed at the stock pen. If production results, then the new road will be graveled. Maximum disturbed width will not exceed 50'. Maximum grade is 6%. Maximum cut or fill will be 2'. At least 5 CMP culverts with these minimum sizes will be installed as follows:

one 18" x 30': northwest of the stock pen
two 18" x 20': between the existing road and wash
one 24" x 25': in wash
one 18" x 50': southeast corner of well site

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3. EXISTING WELLS (See PAGE 10)

There are 2 P&A wells and 2 gas wells within a mile radius. There are no existing oil, water, gas, injection, or disposal wells within a mile.

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1230' FSL & 1295' FWL
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4. PROPOSED PRODUCTION FACILITIES (See PAGE 10)

A dehydrator-separator, meter run, and pump may be installed on the pad. All surface equipment will be painted a flat dark olive green color. Buried gas and water pipelines will be laid 5,450' southeast all along roads to Huber's existing utility corridor south of its proposed Huber-Jensen 3-10.

5. WATER SUPPLY

Water will be trucked from existing water well (right #91-4983) at Huber's central production facility in Section 11 or from town for the first 1500' of well bore. Produced water from Huber's wells will be used below 1500'.

6. CONSTRUCTION MATERIALS & METHODS

Topsoil and brush will be stripped and stockpiled west of the pad. Diversion ditch will be built west and south of the pit. Topsoil and brush along the new road will be windrowed beside the road. The reserve pit will be lined with minimum 12 mil plastic.

Gravel will be bought from the landowner or town.

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7. WASTE DISPOSAL

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The reserve pit will be fenced 4' high on 3 sides with 4 strands of barbed wire or woven wire topped with barbed wire. The fourth side will be fenced once the rig moves off hole. The fence will be kept in good repair while the pit dries. No fluids will be discharged into the flare pit.

All trash will be placed in a trash cage. When full, it will be hauled to a state approved landfill. There will be no trash burning or disposal of trash in the

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1230' FSL & 1295' FWL
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reserve pit. Chemical toilets will be used for human waste. Their contents will be disposed of in state approved facilities.

No oil will be allowed on the reserve pit. Any oil which accumulates on the pit will be pumped or skimmed off and hauled to a state approved recycle facility. Once dry, the reserve pit contents will be buried in place. The pit will be backfilled sufficiently deep so that no liner is exposed.

Produced water will be piped to Huber's state approved lined ≈ 9 acre-foot evaporation pond at the Jensen 7-15 well.

8. ANCILLARY FACILITIES

There will be no airstrip or formal camp. Camper trailers will be on site for the company man, roughnecks, mud logger, tool pusher, etc.

9. WELL SITE LAYOUT

See PAGES 10 & 11 for depictions of the well pad, cross sections, cut and fill diagrams, reserve pit, burn pit, access road onto the pad, parking, living facilities, and rig orientation.

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10. RECLAMATION

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After completing drilling, the well site and immediate area will be cleared of all debris and material not needed for production.

Reclamation will start when the reserve pit is dry. At least 2' of cover will be placed on the reserve pit. All areas not needed for production will be backfilled, recontoured to match natural contours, and reserved topsoil and brush evenly spread. If the well is a producer, then enough topsoil will be kept

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aside to reclaim the rest of the pad. Disturbed areas will be ripped, harrowed, or scarified before seeding.

All reclaimed areas will be broadcast seeded in late fall or winter with seed mix specified by the surface owner. Owner's seed mix will include alfalfa, crested wheatgrass, Indian ricegrass, canby bluegrass, pubescent wheatgrass, Russian wild rye, slender wheatgrass, western wheatgrass, and yellow sweet clover. Seeded areas will be left rough and lightly harrowed or drug with a chain after seeding.

11. SURFACE OWNER

The well site and new road are all on private land owned by the Jensen family. Contact is Jerry Jensen @ (435) 637-6242 (office). Surface use agreement was signed on June 30, 2000 and the family has been paid. Jerry is also the construction supervisor for Huber. An affidavit is attached.

12. OTHER INFORMATION

Closest hospital is a 20 minute drive south in Price. The Castlevew Hospital is at 300 North Hospital Drive. Phone number is (435) 637-4800.

13. REPRESENTATION

Anyone having questions concerning the APD should contact:

Brian Wood
Permits West, Inc.
37 Verano Loop
Santa Fe, NM 87505
(505) 466-8120 FAX: (505) 466-9682

Mobile: (505) 699-2276

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Huber-Jensen/Federal 1-3
1230' FSL & 1295' FWL
Sec. 3, T. 12 S., R. 10 E.
Carbon County, Utah

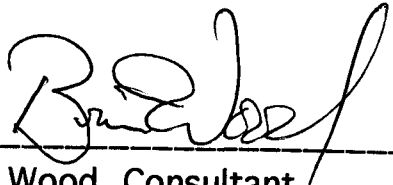
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The field representatives during drilling and production will be:

Larry Sessions
J. M. Huber Corporation
c/o Holiday Inn - Room 140
838 Westwood Blvd., Price, Ut. 84501
(435) 637-8880 FAX (435) 637-7707
(temporary address & phones until office established)

I hereby certify J. M. Huber Corporation has the necessary consents from the proper lease and unit interest owners to conduct lease and unit operations in conjunction with this APD. Bond coverage *per* 43 CFR 3104 for lease activities is being provided by J. M. Huber Corporation.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by J. M. Huber Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.



Brian Wood, Consultant

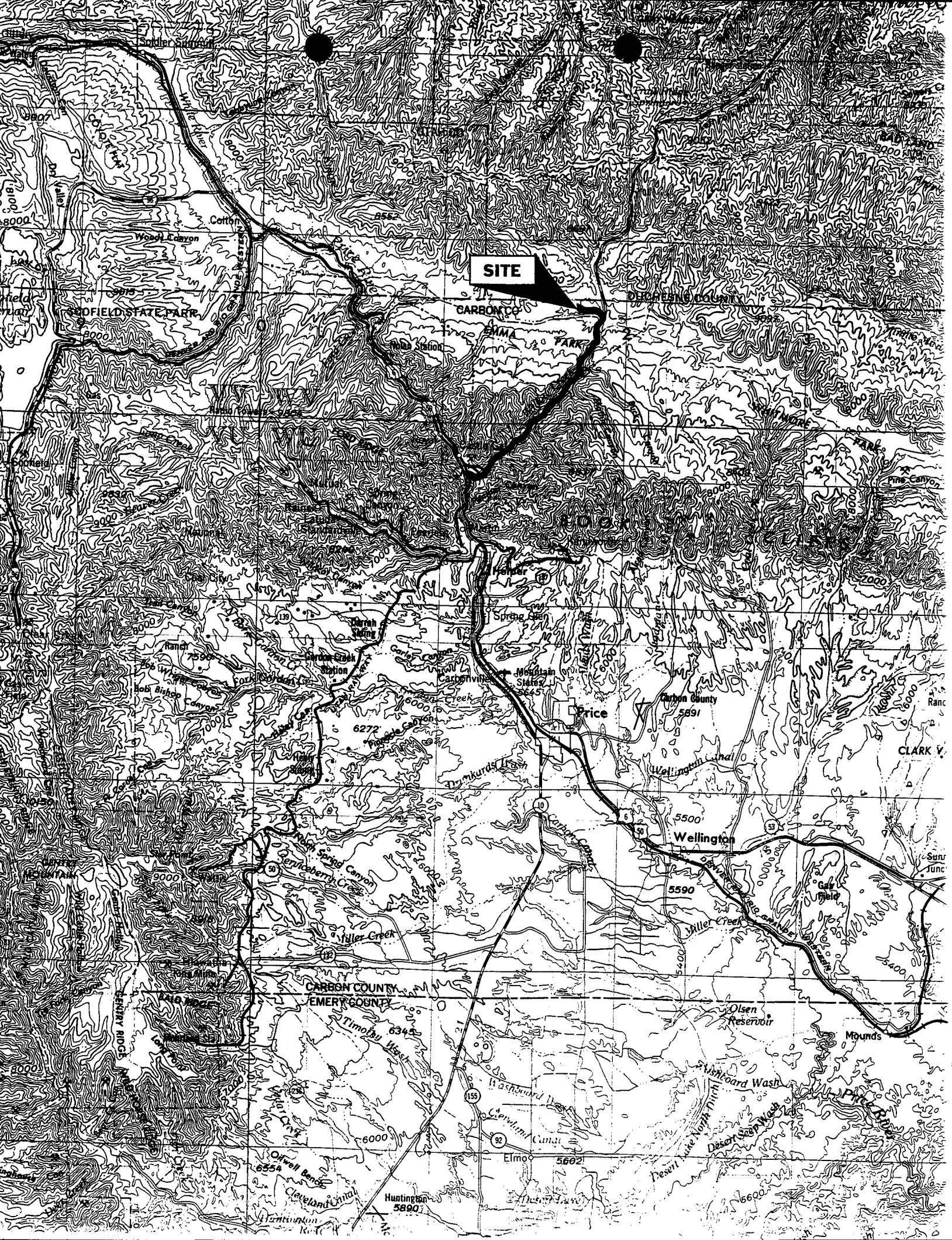
July 31, 2000
Date

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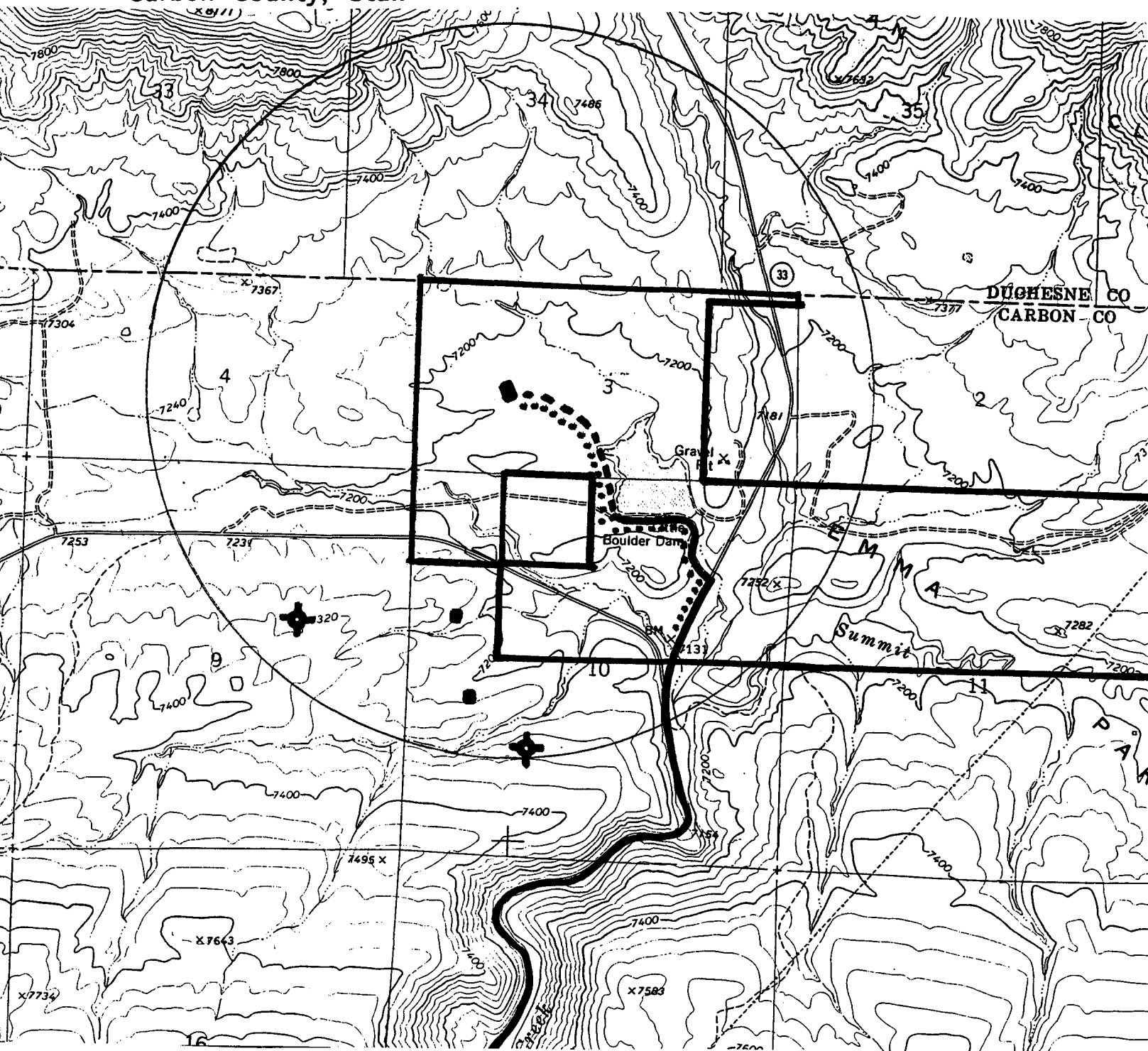
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1230' FSL & 1295' FWL
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PROPOSED WELL:

EXISTING WELL:

P&A WELL:

LEASE:

PROPOSED PIPELINE: - - - - -

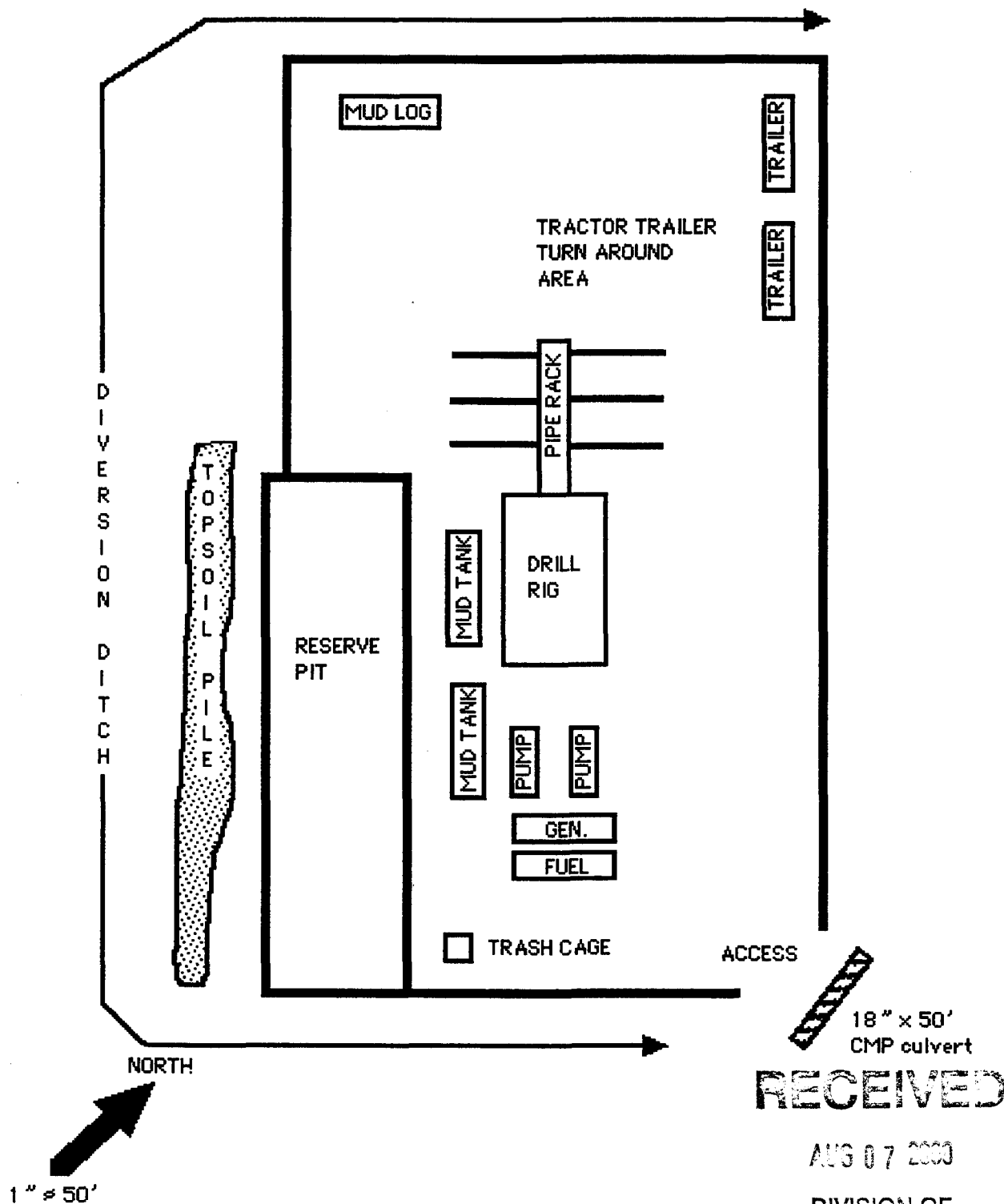
PROPOSED NEW ROAD: - - - - -

EXISTING ROAD: ~ ~ ~ ~ ~

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cut

[illegible]

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Huber Federal # 1 - 3
section

205 square feet.

75'

20 square feet.

24 square feet.

80'

93 square feet.

28 square feet.

75'

11 square feet.

113 square feet.

80'

128 square feet.

sections

42 square feet.

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ENERGY

A FAMILY OF SOLUTIONS

J.M. Huber Corporation

1050-17th Street
Suite 1850
Denver, CO 80265
phone: (303) 825-7900
fax: (303) 825-8300
e-mail: dvjsz@huber.com
www.huber.com

July 21, 2000

Affidavit of Completion of Surface Use Agreement

On June 30, 2000 a written surface use agreement was entered into between J. M. Huber Corporation and James T. Jensen, Jerry Jensen and Dix Jensen for the use of land connected with the Huber-Jensen/Federal 1-3 and Huber-Jensen 9-10 wells in Carbon County, Utah.

We will abide by the conditions as stated in the Surface Use Agreement.

On behalf of J. M. Huber Corporation:

J. Scott Zimmerman
J. Scott Zimmerman
Manager - Coalbed Methane Business Unit

Date: 7-21-00

State of Colorado)

ss

County of Denver)

Subscribed and sworn to before me this 19th day of May 2000 by J. Scott Zimmerman.

Witness my hand and notarial seal.

My commission expires: 8-2-02

James K. Hargis
Notary Public

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WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/07/2000

API NO. ASSIGNED: 43-007-30732

WELL NAME: HUBER-JENSEN FED 1-3

OPERATOR: J M HUBER CORPORATION (N2380)

CONTACT: BRIAN WOOD, AGENT

PHONE NUMBER: 505-466-8120

PROPOSED LOCATION:

SWSW 03 120S 100E

SURFACE: 1230 FSL 1295 FWL

BOTTOM: 1230 FSL 1295 FWL

CARBON

UNDESIGNATED (2)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-65948

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: BLKHK

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 928-70-95 *Confirmed 8-10-2000.
N Potash (Y/N)
N Oil Shale (Y/N) *190 - 5 (B)
☒ Water Permit
(No. 91-4983)
N RDCC Review (Y/N)
(Date: _____)
Y Fee Surf Agreement (Y/N)

LOCATION AND SITING:

____ R649-2-3. Unit _____
____ R649-3-2. General
Siting: _____
☒ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 220-04 *15r APD Ext. 9-2002
Eff Date: 4-30-02
Siting: 1000' fr drl unit boundary 1320'
____ R649-3-11. Directional Drill

COMMENTS:

Need Presite. (Conducted 8-17-2000)

STIPULATIONS:

① STATEMENT OF BASIS
② FEDERAL APPROVAL



COUNTY: CARBON SPACING: R649-3-3/EX LOC



DIVISION OF OIL, GAS AND MINING

APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

Operator Name: J. M. Huber
Name & Number: Huber-Jensen #1-3
API Number: 43-007-30732
Location: 1/4, 1/4 SW SW Sec. 3 T. 12 S R. 10 E County Carbon

Geology/Ground Water:

The setting depth of the surface casing is 500 8 5/8 24#, cemented back to surface with 375 sx of premium class G cement. There are 47 points of diversion within 1 mile of this location, which were developed by several parties, with priority dates back to 1860, some of these are municipal and some are wells several of these may be completed in the Blackhawk coal the intended production zone in this well. A search made of the records at water rights showed that no water from active water wells is being produced from below 385', and that the proposed 500' of surface casing will cover these zones. The several springs and diversions along the gully east of the location may not active, but will be protected by the surface casing and the cement at the bottom of the long string. Produced water will be disposed of at an approved disposal facility.

Reviewer: K. Michael Hebertson Date: 17/Aug/2000

Surface:

The surface owner was invited and attended the pre site for this location and made several changes to the proposed plan. Overall he was happy with the operators proposal. The surface owner was also made aware of the winter range and habitat concerns expressed by DWR. and the active Sage Grouse strutting area that has been identified by DWR. He was not sympathetic to their request and not interested in holding up work for the time frames requested. The surface owner requested that the cattle guard be reconstructed and a better gate installed with proper locks, he may also request some stipulation as to the winter drilling operations being proposed by Huber, as he is not in favor of drilling over the winter months.

Reviewer: K. Michael Hebertson Date: 28/Aug /2000

Conditions of Approval/Application for Permit to Drill:

1. Location will be bermed around the top of the outside edge.
2. A pit liner of 12 MILS minimum thickness is required.
3. Top soil will be stored in a windrow on the Northwest corner.
4. Water bars and turnouts will be place in sufficient numbers to keep the access road from becoming the preferred drainage course.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: J.M. Huber Corporation
WELL NAME & NUMBER: Huber-Jensen Fed #1-3
API NUMBER: 43-007-30732
LEASE: Fee FIELD/UNIT: Undesignated (002)
LOCATION: 1/4, 1/4 SW SW Sec: 3 TWP: 12S RNG: 10E 1230 FSL 1295 FWL
LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4, 1/4 LINE; 920 F ANOTHER WELL.
GPS COORD (UTM): X = 517,799 E; Y = 4,406,375 N
SURFACE OWNER: Jerry Jensen

PARTICIPANTS

Mike Hebertson (DOGM), Brian Wood (Permits West), Jerry Jensen, Larry Sessions (Anadarko)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

This well is located on the second bench of the Wasatch Plateau about 3 miles south of the Roan Cliffs, in the area known as Emma Park. Mathis Canyon is to the southeast of the location about 2 miles. Willow Creek is a major active flowing stream to the east about 1 1/2 miles which flows to the south down Price Canyon. Other drainages intersect the major secondary and primary system flowing generally north and then east until they meet Willow Creek, thence to the Price River. The whole of Emma Park is open Sage Brush meadow with interspersed grass lands. The surface is of Tertiary & Cretaceous age rocks from the Flagstaff Limestone and the North Horn Conglomerate. The Flagstaff is of lacustrine origin and the North Horn is of a fluvial origin. There is no distinct contact between the two since the two have many complex overlapping facies in this area.

SURFACE USE PLAN

CURRENT SURFACE USE: Wildlife and livestock use.

PROPOSED SURFACE DISTURBANCE: A location 300 X 200, the access road will enter the pad on the north corner. 2,050' new will be required.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: There is 1 P&A well and one producing well within one mile, all of which were drilled to the Mesa Verde and one new well completed to the Mesa Verde Black Hawk Coal.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: Will follow the roads and already established corridors in the abandoned field area. Pipelines and power lines will be installed from existing tie ins.

SOURCE OF CONSTRUCTION MATERIAL: Borrowed from the construction of the location. A commercial supplier will be used for the gravel pad or the material will be purchased from the landowner from a previous supply.

ANCILLARY FACILITIES: These are already in place.

WASTE MANAGEMENT PLAN:

Portable chemical toilets which will be emptied into the municipal waste treatment system; garbage cans on location will be emptied into centralized dumpsters which will be emptied into an approved landfill. No crude oil is expected to be produced. Drilling fluid, completion / frac fluid and cuttings will be buried in the pit after evaporation and slashing the pit liner. Used oil from drilling operations and

support is hauled to a used oil re-cycler and re-used. Produced water will be disposed of at an approved facility.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: The floodplains and drainages will be protected with berms ditches and silt fences as necessary.

FLORA/FAUNA: Deer, Elk, Moose, Cougar, Eagles, Hawks, Other indigenous bird species, Aspen, varieties of grasses, Sage Brush, Rabbit Brush.

SOIL TYPE AND CHARACTERISTICS: Clay from the limestone which weathers to a dark tan to reddish in color. Locally with sandstone inclusions and fossil trash or remains.

SURFACE FORMATION & CHARACTERISTICS: Flagstaff Limestone interbedded with the North Horn Formation which varies from a conglomerate to a thinly bedded sandstone and interfingers with the Flagstaff.

EROSION/SEDIMENTATION/STABILITY: No stability, or erosion problems with the selected site sedimentation will be mitigated with berms and diversions placed to contain runoff from the location and cut.

PALEONTOLOGICAL POTENTIAL: Not required.

RESERVE PIT

CHARACTERISTICS: The pit will be 125 X 50 X 10.

LINER REQUIREMENTS (Site Ranking Form attached): A synthetic liner will be required.

SURFACE RESTORATION/RECLAMATION PLAN

Will be signed and executed prior to issuance of the APD.

SURFACE AGREEMENT: Will be executed and affidavit will be sent to DOGM.

CULTURAL RESOURCES/ARCHAEOLOGY: Not required

OTHER OBSERVATIONS/COMMENTS

The access road will go around a pond at the exit from Highway 191. The new road will be placed on the south of the pond on higher ground than the existing two track and will also be the corridor for the utilities and pipelines. The tie in point for the pipeline already exists at the southeast corner of the 3-10 location. Several spacing issues were discussed including the exception spacing being applied for.

ATTACHMENTS:

Photos were taken and will be placed on file.

K. Michael Hebertson
DOGM REPRESENTATIVE

17/Aug/2000/ 9:14 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>10</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>15</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>15</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>5</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>10</u>

Final Score 60 (Level I Sensitivity)

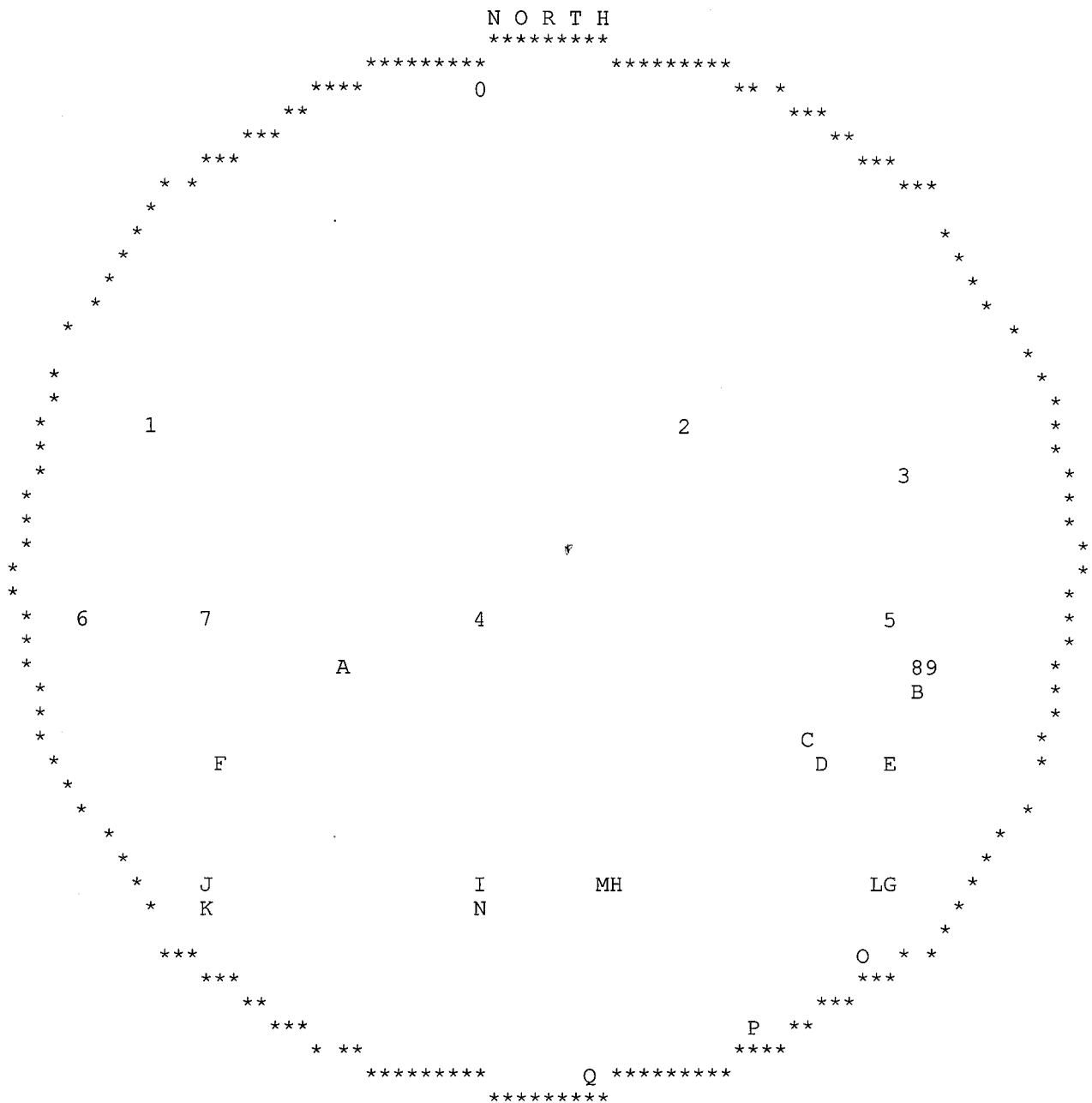


Huber Jensen Fed 1-3 API 43-007-30732 Sec 3, T12S, R10E, Carbon, County

UTAH DIVISION OF WATER RIGHTS
WATER RIGHT POINT OF DIVERSION PLOT CREATED WED, AUG 1
PLOT SHOWS LOCATION OF 47 POINTS OF DIV

PLOT OF AN AREA WITH A RADIUS OF 5280 FEET
N 1230 FEET, E 1295 FEET OF THE SW CORNER,
SECTION 3 TOWNSHIP 12S RANGE 10E SL BASE

PLOT SCALE IS APPROXIMATELY 1 INCH = 2000 FE



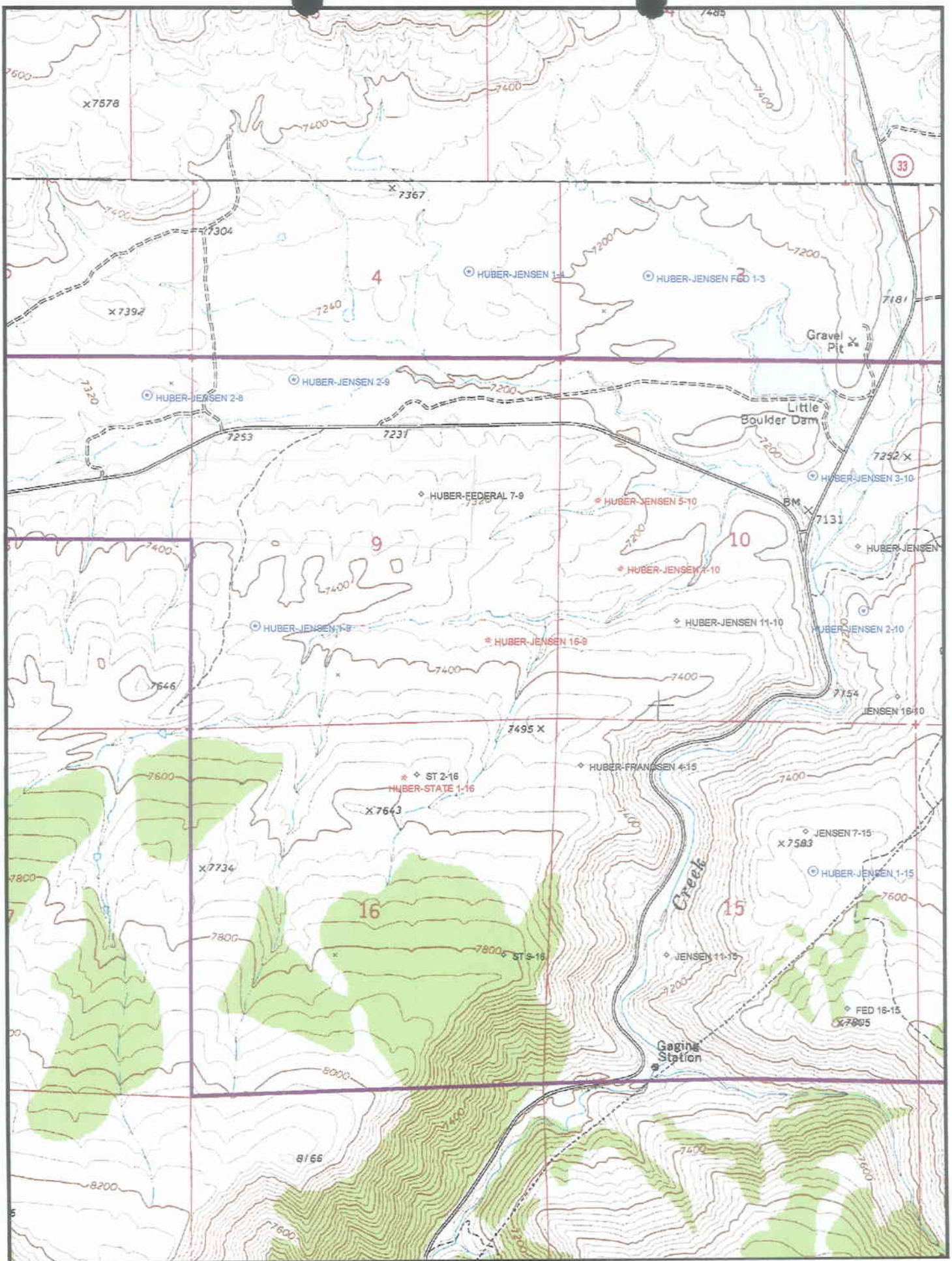
UTAH DIVISION OF WATER RIGHTS
NWPLAT POINT OF DIVERSION LOCATION PRO

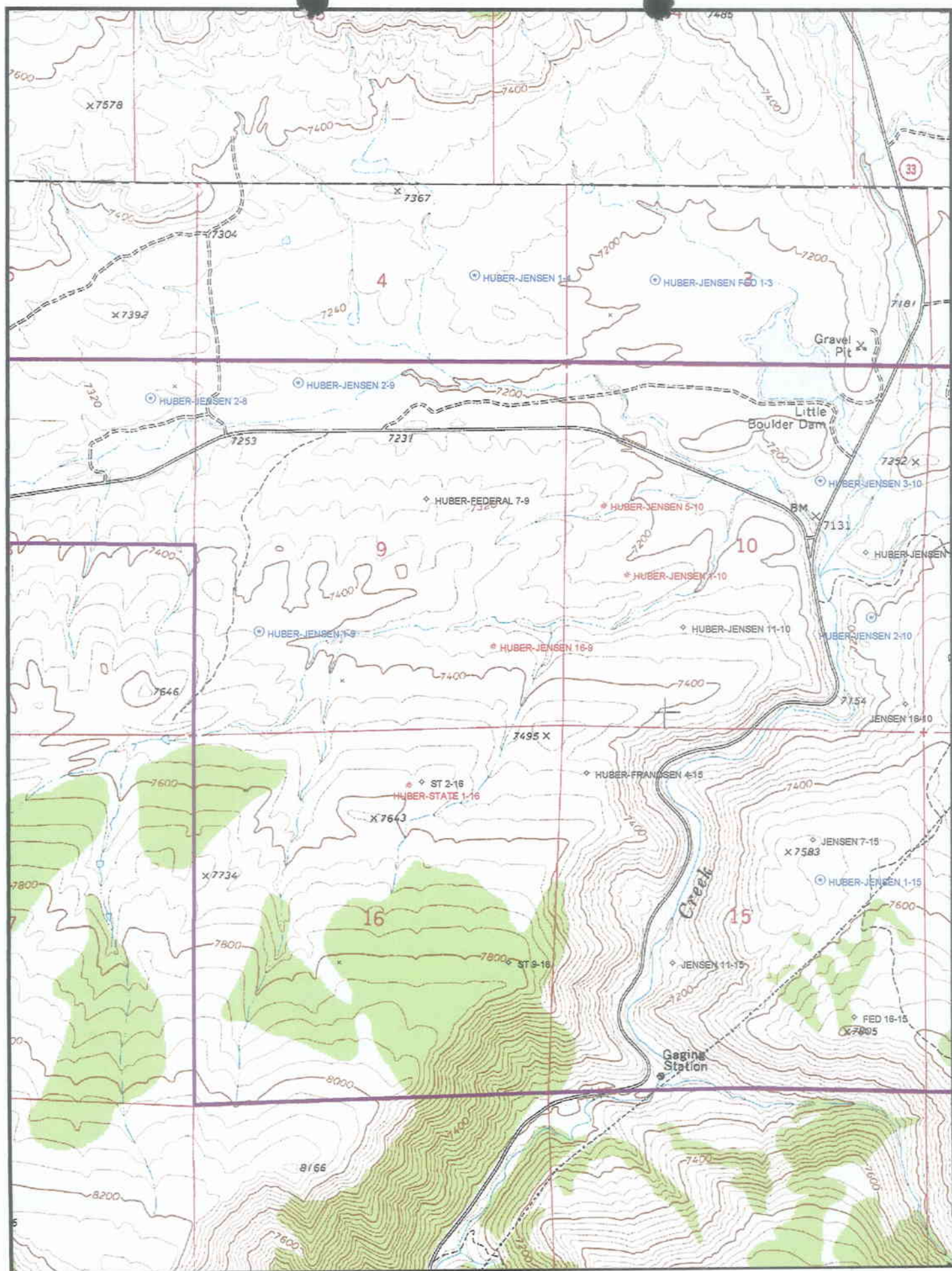
MAP CHAR	WATER RIGHT	CFS	QUANTITY AND/OR	AC-FT	SOURCE DESCRIPTION or WELL INFO DIAMETER DEPTH YEAR LOG	POIN NORTH
0	91 1350	.0000		.00	Unnamed Stream	
	WATER USE(S): Moynier, Lea 284 North Carbon Ave.					
1	91 1335	.0000		.00	Unnamed Stream	
	WATER USE(S): Moynier, Lea 284 North Carbon Ave.					
2	91 3179	.0000		.00	Willow Creek	
	WATER USE(S): Security Title Company					
2	91 3180	.0000		.00	Willow Creek	
	WATER USE(S): Security Title Company					
3	91 280	.0000		2.20	Willow Creek	N 2100
	WATER USE(S): MUNICIPAL OTHER Price River Water Improvement District P.O. Box 903					
4	91 4823	10.0000		.00	Underground Wells	N 750
	WATER USE(S): MUNICIPAL Price River Water Improvement District P.O. Box 903					
5	91 4823	10.0000		.00	Underground Wells	N 700
	WATER USE(S): MUNICIPAL Price River Water Improvement District P.O. Box 903					
5	91 3179	.0000		.00	Willow Creek	
	WATER USE(S): Security Title Company					
5	91 3180	.0000		.00	Willow Creek	
	WATER USE(S): Security Title Company					
6	91 1353	.0000		.00	Unnamed Stream	
	WATER USE(S): Moynier, Lea 284 North Carbon Ave.					
7	91 4823	10.0000		.00	Underground Wells	N 650
	WATER USE(S): MUNICIPAL Price River Water Improvement District P.O. Box 903					
8	t89-91-04	.0000		.25	Willow Creek	N 330
	WATER USE(S): IRRIGATION OTHER Curry Trucking Box 227					
8	t90-91-02	.0000		10.00	Summit Creek and Willow Creek	N 330

	WATER USE(S): OTHER				
	Cockrell Oil Corporation		1600 Smith Road, Suite 4600		
8	<u>t91-91-09</u>	.0000	10.00 Summit Creek and Willow Creek	N	330
	WATER USE(S): OTHER				
	Cockrell Oil Corporation		1600 Smith Road, Suite 4600		
8	<u>t93-91-09</u>	.0000	15.00 Willow Creek	N	320
	WATER USE(S): OTHER				
	PG&E Resources		6688 North Central Expressway		
8	<u>t92-91-10</u>	.0000	3.00 Willow Creek	N	320
	WATER USE(S): OTHER				
	West Hazmat Oil Field Services Inc.		East Highway 40		
8	<u>t93-91-08</u>	.0000	3.00 Willow Creek	N	320
	WATER USE(S): OTHER				
	TN Company		190 North Carbon Avenue		
9	<u>t21288</u>	.0000	.05 Price River & Willow Creek	N	300
	WATER USE(S): OTHER				
	Cyprus Plateau Mining Corporation		P.O. Drawer 7007		
9	<u>t19140</u>	.0000	.05 Price River and Willow Creek	N	300
	WATER USE(S): OTHER				
	Cyprus Western Coal Company		9100 East Mineral Circle		
9	<u>t20217</u>	.0000	.05 Price River & Willow Creek	N	300
	WATER USE(S): OTHER				
	Cyprus Western Coal Company		9100 East Mineral Circle		
9	<u>t22409</u>	.0000	.50 Willow Creek	N	300
	WATER USE(S): OTHER				
	Cyprus Plateau Mining Corporation		847 NW Highway 191		
9	<u>t23503</u>	.0000	4.00 Willow Creek	N	300
	WATER USE(S): OTHER				
	Cyprus Plateau Mining Corporation		847 NW Highway 191		
9	<u>t24609</u>	.0000	4.00 Willow Creek	N	300
	WATER USE(S): OTHER				
	Plateau Mining Corporation		847 NW Highway 191		
A	<u>91 280</u>	.0000	2.20 Willow Creek	N	200
	WATER USE(S): MUNICIPAL OTHER				
	Price River Water Improvement District		P.O. Box 903		
B	<u>t91-91-08</u>	.0000	3.00 Willow Creek		
	WATER USE(S): OTHER				
	TN Company		190 North Carbon Avenue		
C	<u>91 4823</u>	10.0000	.00 Underground Wells	S	500
	WATER USE(S): MUNICIPAL				
	Price River Water Improvement District		P.O. Box 903		
D	<u>91 280</u>	.0000	2.20 Willow Creek	S	600
	WATER USE(S): MUNICIPAL OTHER				
	Price River Water Improvement District		P.O. Box 903		
E	<u>91 1333</u>	.0000	.00 Willow Creek		
	WATER USE(S):				
	Moynier, Lea		284 North Carbon Ave.		
F	<u>91 1336</u>	.0110	.00 Unnamed Spring		
	WATER USE(S):				

	Moynier, Lea		284 North Carbon Ave.	
G	<u>91 1335</u>	.0000	.00 Unnamed Stream	
	WATER USE(S): Moynier, Lea		284 North Carbon Ave.	
G	<u>91 1333</u>	.0000	.00 Willow Creek	
	WATER USE(S): Moynier, Lea		284 North Carbon Ave.	
G	<u>91 1332</u>	.0000	.00 Summit Creek	
	WATER USE(S): Moynier, Lea		284 North Carbon Ave.	
G	<u>91 1332</u>	.0000	.00 Summit Creek	
	WATER USE(S): Moynier, Lea		284 North Carbon Ave.	
H	<u>91 1334</u>	.0110	.00 Unnamed Spring	
	WATER USE(S): Moynier, Lea		284 North Carbon Ave.	
I	<u>91 1261</u>	.0110	.00 Unnamed Spring	
	WATER USE(S): Moynier, Pierre (Jr.)		748 North 400 East	
J	<u>91 4823</u>	10.0000	.00 Underground Wells	S 2000
	WATER USE(S): MUNICIPAL Price River Water Improvement District		P.O. Box 903	
K	<u>91 4830</u>	2.0000	.00 6 3800 - 5000	S 2019
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL POWER OTHER PG&E Resources Company		6688 No. Central Expressway	
K	<u>91 4983</u>	.1600	.00 5 4878	S 2019
	WATER USE(S): IRRIGATION OTHER Anadarko Petroleum Corporation		9400 North Broadway	
L	<u>91 4823</u>	10.0000	.00 Underground Wells	S 2000
	WATER USE(S): MUNICIPAL Price River Water Improvement District		P.O. Box 903	
M	<u>91 4823</u>	10.0000	.00 Underground Wells	S 2000
	WATER USE(S): MUNICIPAL Price River Water Improvement District		P.O. Box 903	
N	<u>91 4830</u>	2.0000	.00 6 3800 - 5000	S 2065
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL POWER OTHER PG&E Resources Company		6688 No. Central Expressway	
N	<u>91 4983</u>	.1600	.00 5 4829	S 2065
	WATER USE(S): IRRIGATION OTHER Anadarko Petroleum Corporation		9400 North Broadway	
O	<u>91 4830</u>	2.0000	.00 6 3800 - 5000	N 2559
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL POWER OTHER PG&E Resources Company		6688 No. Central Expressway	
O	<u>91 4983</u>	.1600	.00 7 4840	N 2559
	WATER USE(S): IRRIGATION OTHER Anadarko Petroleum Corporation		9400 North Broadway	
P	<u>91 1257</u>	.0000	.00 Summit Creek	
	WATER USE(S): Moynier, Pierre (Jr.)		748 North 400 East	

Q	91 4830	2.0000	.00	6	3800 - 5000	N 1461
	WATER USE(S): IRRIGATION STOCKWATERING MUNICIPAL POWER OTHER					
	PG&E Resources Company 6688 No. Central Expressway					
Q	91 4983	.1600	.00	5	4561	N 1461
	WATER USE(S): IRRIGATION OTHER					
	Anadarko Petroleum Corporation 9400 North Broadway					







State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

August 21, 2000

J. M. Huber Corporation
1050 Seventeenth St, Suite 1850
Denver, CO 80265

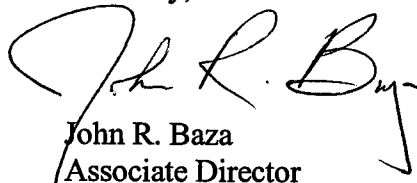
Re: Huber-Jensen Fed 1-3 Well, 1230' FSL, 1295' FWL, SW SW, Sec. 03, T. 12 South,
R. 10 East, Carbon County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted. Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-007-30732.

Sincerely,


John R. Baza
Associate Director

er

Enclosures

cc: Carbon County Assessor
Bureau of Land Management, Moab District Office

Operator: J. M. Huber Corporation
Well Name & Number Huber-Jensen Fed 1-3
API Number: 43-007-30732
Lease: UTU-65948

Location: SW SW **Sec.** 03 **T.** 12 South **R.** 10 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338
- Contact Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

PERMITS WEST, INC.
PROVIDING PERMITS for LAND USERS
37 Verano Loop, Santa Fe, New Mexico 87505 (505) 466-8120

August 24, 2001

Lisha Cordova
Utah Div. Of Oil, Gas, & Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

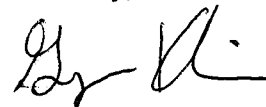
Dear Lisha,

As discussed with Adam Crateau of Permits West, Inc yesterday afternoon, J.M. Huber Corporation asks that approval of its Huber-Jensen 1-3 APD (43-007-30732) be extended another year.

Please call me if you have any questions.

*T125 RICE SEC 03
CARIBON COUNTY*

Sincerely,



Greg Klein

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 08-29-01
By: [Signature]

COPIES SENT TO CREATOR
Date: 08-29-01
By: CHW

cc: Johnson

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

2000 10-1 P 2:11

b. TYPE OF WELL

OIL WELL ☐GAS WELL ☒

OTHER

SINGLE ZONE ☐MULTIPLE ZONE ☒

2. NAME OF OPERATOR

J. M. Huber Corporation (303) 825-7900

3. ADDRESS AND TELEPHONE NO.

1050 17th St., Suite 1850, Denver, Co. 80265

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At surface

1230' FSL & 1295' FWL

At proposed prod. zone

Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

8 air miles NNE of Helper, Ut.

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

1230'

16. NO. OF ACRES IN LEASE

2,473.31

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

3813'

19. PROPOSED DEPTH

5,500'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

7,185' graded ground

22. APPROX. DATE WORK WILL START*

Sept. 1, 2000

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8" (K-55)	24#	500'	≈438 cu ft & to surface
7-7/8"	5-1/2" (J-55)	17#	5,500'	≈1290 cu ft & to surface

Request exception because of surface concerns (sage grouse). Exception is to quarter-quarter lines (25' instead of ≥460'), not to a well. Orthodox location would move the well into critical sage grouse habitat.

Orthodox well could be drilled at 460 FS & 460 FW 3-12s-10e, but it would be on a south facing slope next to a wetland which provide important habitat for sage grouse. Request permission to drill at 1230' FSL & 1295' FWL 18-12s-10e. This is the only well in the quarter section. There are no producing wells within a half mile. Wells (see Page 9) could be drilled in 7 offsetting units (Huber has a well in the eighth). Huber is owner of all drilling units and leases within minimum 1,230' radius of proposed exception. This includes all 8 directly or diagonally offsetting drilling units.

CONDITIONS OF APPROVAL ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. (If applicable, give data on proposed directional drilling, if any.)

24.

SIGNED

TITLE

DATE

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE


DATE

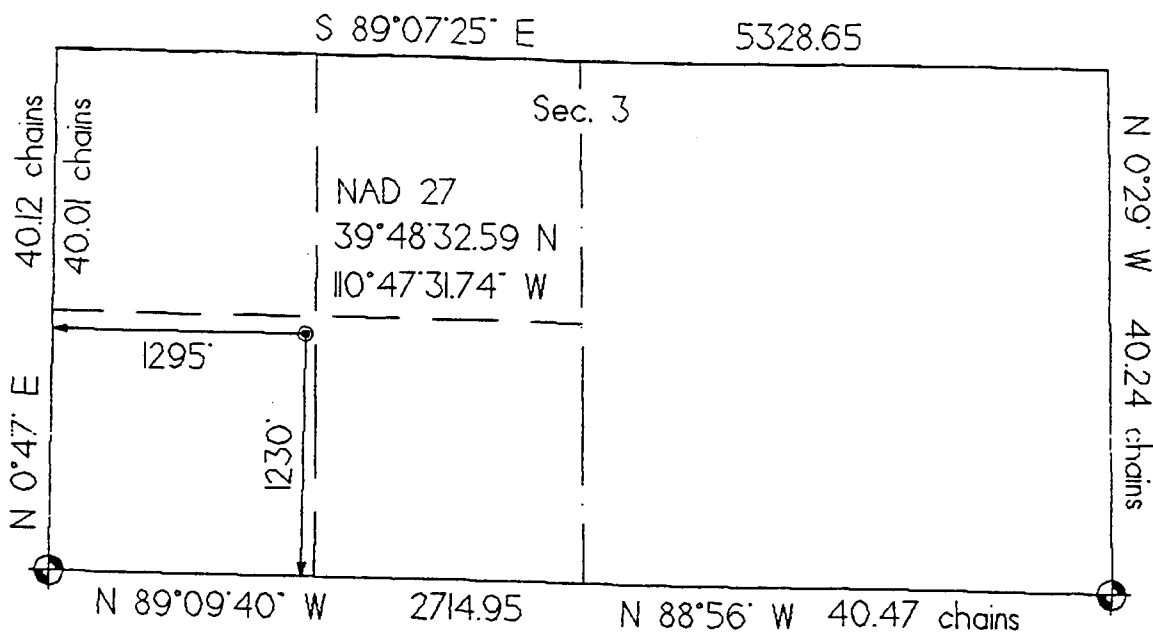
*See Instructions On Reverse Side



NORTH

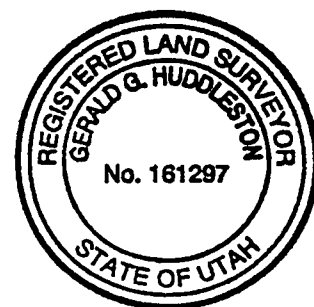
0' 1000'
1" = 1000'

 brass cap



Well Location Description

J.M. HUBER CORPORATION
Huber - Federal 1-3
1230' FSL & 1295' FWL
Section 3, T.12 S., R.10 E., SLM
Carbon County, UT
7185' grd. el. (from GPS)



9 June 2000

Gerald G. Huddleston
Gerald G. Huddleston, LS

The above is true and correct to my knowledge and belief.

J.M. Huber Corporation
Huber-Jensen/Federal 1-3
Lease U-65948
SW/SW Section 3 T12S, R10E
Carbon County, Utah

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that J. M. Huber Corporation is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by ES 0071 (Principal - J. M. Huber Corporation) via surety consent as provided for in 43 CFR § 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR § 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR § 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to field representatives to insure compliance.

A. DRILLING PROGRAM

1. The proposed BOPE is in a 2M configuration, and is adequate for this depth in this area. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval, including exception siting, from the State of Utah, Division of Oil, Gas & Mining (DOGM) is required before conducting any surface disturbing activities.
3. When drilling with air, the requirements of Onshore Oil and Gas Order No. 2, part III,E, *Special Drilling Operations*, shall apply. Among the requirements in this section are:
 - Spark arresters
 - Blooie line discharge 100 feet from wellbore
 - Straight blooie line
 - Deduster equipment
 - Float valve above bit
 - Automatic igniter on the blooie line
4. If cement behind the production casing (5½") does not circulate to surface, a Cement Bond Log (CBL) or other appropriate tool shall be used to determine top of cement.
5. A surface use agreement shall be in place prior to conducting any surface disturbance.

B. SURFACE USE

1. The following stipulations are attached for your reference. They are to be followed as conditions of approval:

Big Game Winter Restriction (December 1 through April 15)
Sage Grouse Nesting Habitat Restriction (April 1 and June 15)
Fish and Wildlife Enhancement/Mitigation Program

2. The pit shall be unlined.
3. Within six months of installation surface structures shall be painted in the following flat, earth tone color: Olive Black (5WA20-6). This Fuller O'Brien color is for reference only. Any brand of paint may be used provided the colors match. Any facilities that must be painted to comply with OSHA standards are exempt.

GENERAL CONSTRUCTION

1. Operator shall contact the Price BLM Office at least forty-eight hours prior to the anticipated start of construction and/or any surface disturbing activities. The BLM may require and schedule a preconstruction conference with the operator prior to the operator commencing construction and/or surface disturbing activities. The operator and the operator's contractor, or agents involved with construction and/or any surface disturbing activities associated with the project, shall attend this conference to review the Conditions of Approval and plan of development. The operator's inspector will be designated at the pre-drill conference, and is to be given an approved copy of all maps, permits and conditions of approval before the start of construction. The BLM will also designate a representative for the project at the preconstruction conference.
2. The operator shall designate a representative(s) who shall have the authority to act upon and to implement instructions from the BLM. The operator's representative shall be available for communication with the BLM within a reasonable time when construction or other surface disturbing activities are underway.
3. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the operator, or any person working on his behalf, on public land is to be immediately reported to the Price BLM Office. The operator will suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Price BLM Office. An evaluation of the discovery will be made by the BLM to determine appropriate actions to prevent the loss of significant cultural or scientific values. The operator is responsible for the cost of evaluation of any site found during construction. The BLM will determine what mitigation is

necessary.

4. During project construction, surface disturbance and vehicle travel shall be limited to the approved location and access routes. Any additional area needed must be approved by the Price BLM Office prior to use.
5. The operator must provide a trash cage for the collection and containment of all trash. The trash shall be disposed in an authorized landfill. The location and access roads shall be kept litter free.
6. Vegetation removal necessitated by construction shall be confined to the limits of actual construction. Removed vegetation will be stockpiled for use in reclamation or removed from the construction site at the direction of the BLM.
7. Prior to surface disturbance, topsoil is to be separately removed and segregated from other material. Topsoil depth will be decided onsite by BLM. If the topsoil is less than 6 inches, a 6-inch layer that includes the A horizon and the unconsolidated material immediately below the A horizon shall be removed and the mixture segregated and redistributed as the surface soil layer.

Generally topsoil shall be stored within the pad site or adjacent to access roads. The company in consultation with BLM shall determine stockpile locations and dimensions at the onsite. If the topsoil stockpiles will not be redistributed for a period in excess of one (1) year, the stockpiles are to be seeded with the seed mixture as specified by the surface owner.

ROAD and PIPELINE CONSTRUCTION

8. Operator shall provide an inspector under the direction of a registered professional engineer (PE) at all times during road construction. A PE shall certify (statement with PE stamp) that the road was constructed to the required Bureau of Land Management (BLM) road standards.
9. Road construction or routine maintenance activities are to be performed during periods when the soil can adequately support construction equipment. If such equipment creates ruts more than 6 inches deep, the soil is deemed too wet to adequately support construction equipment.
10. The operator is responsible for maintenance of all roads authorized through the lease or a right-of-way. Construction and maintenance shall comply with Class II or III Road Standards as described in BLM Manual Section 9113 and the Moab District Road Standards, except as modified by BLM. Maintenance may include but is not limited to grading, applying gravel, snow removal, ditch cleaning, headcut restoration/prevention.

11. Topsoil from access roads and pipelines is to be wind rowed along the uphill side of the road or stored in an approved manner. When the road and pipeline is rehabilitated, this soil will then be used as a top coating for the seed bed.
12. Erosion-control structures such as water bars, diversion channels, and terraces will be constructed to divert water and reduce soil erosion on the disturbed area. Road ditch turnouts shall be equipped with energy dissipators as needed to avoid erosion. Where roads interrupt overland sheet-flow and convert this runoff to channel flow, ditch turnouts shall be designed to reconvert channel flow to sheet flow. Rock energy dissipators and gravel dispersion fans may be used, or any other design which would accomplish the desired reconversion of flow regime. As necessary cut banks, road drainages, and road crossings shall be armored or otherwise engineered to prevent headcutting.

PAD CONSTRUCTION

13. During the construction of the drill pad, suitable topsoil material is to be stripped and conserved in a stockpile on the pad. If stockpiles are to remain for more than a year, they shall be seeded with the seed mixture as specified by the surface owner.
14. Generally, drill pads are to be designed to prevent overland flow of water from entering or leaving the site. The pad is to be sloped to drain spills and water into the reserve pit. The drill pad shall be designed to disperse diverted overland flow and to regulate flow velocity so as to prevent or minimize erosion. Well pad diversion outlets shall be equipped with rock energy brakes and gravel-bedded dispersion fans.

REHABILITATION PROCEDURES

Site Preparation

15. The entire roadbed should be obliterated and brought back to the approximate original contour. Drainage control is to be reestablished as necessary. All areas affected by road construction are to be recontoured to blend in with the existing topography. All berms are to be removed unless determined to be beneficial by BLM. In recontouring the disturbed areas, care should be taken to not disturb additional vegetation.

Seedbed Preparation

16. An adequate seedbed should be prepared for all sites to be seeded. Areas to be revegetated should be chiseled or disked to a depth of at least 12 inches unless restrained by bedrock.
17. Ripping of fill materials should be completed by a bulldozer equipped with single or a twin set of ripper shanks. Ripping should be done on 4-foot centers to a depth of 12 inches. The process should be repeated until the compacted area is loose and friable, then shall be followed by final grading. Seedbed preparation will be considered complete when the soil surface is completely roughened and the number of rocks (if present) on the site is sufficient to cause the site to match the surrounding terrain.
18. After final grading, the stockpiled topsoil shall be spread evenly across the disturbed area.

Fertilization

19. Commercial fertilizer with a formula of 16-16-8 is to be applied at a rate of 200 pounds per acre to the site. The rate may be adjusted depending on soil.
20. Fertilizer is to be applied not more than 48 hours before seeding, and shall be cultivated into the upper 3 inches of soil.
21. Fertilizer is to be broadcast over the soil using hand-operated "cyclone-type" seeders or rotary broadcast equipment attached to construction or revegetation machinery as appropriate to slope. All equipment should be equipped with a metering device. Fertilizer application is to take place before the final seeding preparation treatment. Fertilizer broadcasting operations should not be conducted when wind velocities would interfere with even distribution of the material.

Mulching

22. When it is time to reclaim this location, the Price BLM Office will determine whether it will be necessary to use mulch in the reclamation process. The type of mulch should meet the following requirements: Wood cellulose fiber shall be natural or cooked, shall disperse readily in water, and shall be nontoxic. Mulch shall be thermally produced and air dried. The homogeneous slurry or mixture shall be capable of application with power spray equipment. A colored dye that is noninjurious to plant growth may be used when specified. Wood cellulose fiber is to be packaged in new, labeled containers. A minimum application of 1500 pounds per acre shall be applied. A suitable tackifier shall be applied with the mulch at a rate of 60 to 80 pounds per acre.

An alternative method of mulching on small sites would be the application of

straw or hay mulch at a rate of 2000 pounds per acre. Hay or straw shall be certified weed free. Following the application of straw or hay, crimping shall occur to ensure retention.

Reseeding

23. All disturbed areas are to be seeded with the seed mixture required by the BLM. The seed mixture(s) shall be planted in the fall of the year (Sept-Nov), in the amounts specified in pounds of pure live seed (PLS)/acre. There shall be no noxious weed seed in the seed mixture. Seed will be tested and the viability testing of seed shall be done in accordance with State law(s) and within 12 months prior to planting. Commercial seed will be either certified or registered seed. The seed mixture container shall be tagged in accordance with State law(s) and available for inspection by the BLM. Seed is to be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area. (Smaller/heavier seeds tend to drop to the bottom of the drill and are planted first. Appropriate measures should be taken to ensure this does not occur.) Where drilling is not possible, seed is to be broadcast and the area raked or chained to cover the seed. Woody species with seeds that are too large for the drill will be broadcast. When broadcasting the seed, the pounds per acre noted below are to be increased by 50 percent. Reseeding may be required if a satisfactory stand is not established to the surface rights owner's specifications. Evaluation of the seeding's success will not be made before completion of the second growing season after the vegetation becomes established. The Price BLM Office is to be notified a minimum of seven days before seeding a project.
24. The disturbed areas for the road and pipeline must be seeded in the fall of the year, immediately after the topsoil is replaced. The prescribed seed mixture is specified by the surface owner.

General

1. Prior to the use of insecticides, herbicides, fungicides, rodenticides and other similar substances, the operator must obtain from BLM, approval of a written plan. The plan must describe the type and quantity of material to be used, the pest to be controlled, the method of application, the location for storage and disposal of containers, and other information that BLM may require. A pesticide may be used only in accordance with its registered uses and within other agency limitations. Pesticides must not be permanently stored on public lands.
2. To prevent the potential contamination of groundwater resources by seepage of produced water, reserve pits will be lined according to the procedures outlined in Chapter 2 of the Final Environmental Impact Statement for the Castlegate Coalbed Methane Project (EIS).

3. Cattle guards will be routinely maintained for the full life of the project. In addition, where access is located on privately owned surface estate, a metal gate will be installed across the cattle guard as required by the affected surface owner(s) to restrict access to private lands during the life of the project.
4. Access roads will be periodically bladed to smooth ruts and watered to reduce dust emissions. Huber will provide adequate turnouts to avoid traffic problems and to ensure roadway deterioration does not have offsite impacts resulting from erosion, sedimentation, and fugitive dust.
5. Huber will request the Department of Highway Safety to determine adequate signage identifying truck traffic on U.S. Highway 191, both north and south of the project area, and will ensure the installation of the determined signs.
6. Huber will *discuss* emergency plans with county law enforcement, fire protection, and emergency care providers. Plans will then be made clear to all Huber employees and subcontractors. Such information dissemination will minimize confusion in the case of an emergency.
7. Ground disturbance activities, cuts and fills, and removal of vegetation will be strictly confined to areas designated in the BLM approved APDs. Minimizing disturbance will reduce contrasts between exposed soils and naturally vegetated areas.
8. To the extent possible, all juniper trees will be left standing and protected from disturbance. The few trees in the area offer better screening than the sagebrush and will be protected.
9. Reclamation plans approved by BLM; the Utah Division of Oil, Gas, and Mining; and private landowners will be precisely followed and monitored by BLM for at least two growing seasons.
10. Lights used during nighttime drilling efforts will be shielded to reduce offsite illumination.
11. All production structures and buildings, with the exception of those identified by Federal or State law, will be painted in nonglare, earth-tone colors.
12. Landscaping of the Central Processing Facility (CPF) will be designed and developed with the objective of minimizing visual impact as perceived from U.S. Highway 191 and the Key Observation Point. Landscaping will primarily utilize native species of varying height classes and minimize the appearance of straight lines and sharp angles.
13. If project traffic levels create dust problems during the dry months of the year, as

determined by the Authorizing Officer, Huber will water roads and active working areas to reduce dust generation.

14. Wells will be located a minimum of 660 feet from known springs and 330 feet of the centerline of perennial streams to ensure that drilling operations will not have any impact.
15. Producing wells will be maintained in a condition of good mechanical integrity to prevent casing leaks and potential contamination of groundwater resources.
16. Huber should also apply for an appropriation of the produced water if a beneficial use can be defined, in which case it may be feasible to use the treated water rather than discharge to surface drainages.
17. The facilities for the West CPF will be relocated outside of soil map unit 108 (Silas loam).
18. Monitoring of disturbed areas by the County Weed Control Officer for noxious weed infestations will be conducted.
19. The areas of interim reclamation will also be monitored for infestations of noxious weeds. If infestations of noxious weeds occur in these disturbed areas, eradication measures will be implemented to control populations of weedy species.
20. Well locations will be relocated within the 160-acre spacing to avoid wetlands. Disturbance of wetlands by road crossings will be coordinated by Utah Division of Water Quality as they prepare the required Stream Crossing Permit.
21. Raptor inventories will be conducted each year between May 15 and June 15 to determine the status of previously identified nests to locate any new nests in areas where surface-disturbing activities are planned. Such inventory work must be conducted by personnel qualified in raptor inventory techniques and coordinated with the Authorized Office and the Utah Division of Wildlife Resources (UDWR). Active raptor nests will be protected from disturbance by prohibiting any activity within 0.5 mile of the nest.
22. All evaporation ponds at the CPFs will be netted and fenced with mesh wire fences of sufficient height (6 feet) to prevent contact by waterfowl, other wildlife, or livestock.
23. Travel on service roads in designated elk wintering and calving, deer fawning, and sage grouse strutting areas will be restricted around dawn and dusk, whenever practical, during the respective calving, fawning, and strutting seasons.

24. Huber will work with the UDWR to develop a wildlife education program for employees to inform them of the potential impacts to wildlife from the project and of the mitigation measures which will be required.
25. Best Management Practices will be utilized to control sediment runoff from construction areas.
26. Riprap will be placed on stream banks at pipeline and road crossings to reduce erosion and sedimentation and to stabilize banks.
27. Stream crossings will be constructed during periods of reduced flow. Construction will be undertaken in such a manner that flow will be maintained at all stream *crossings*, and streams capacities will not be altered as a result of pipeline and road construction.
28. Removal of riparian vegetation will be avoided or riparian vegetation replaced.
29. Water discharge from the CPFs will be in full compliance with the State of Utah, Department of Environmental Quality, Utah Pollutant Discharge Elimination System, as delegated by the Environmental Protection Agency under the authority of the Clean Water Act of 1972.

CASTLEGATE CBM EIS AREA WILDLIFE, WETLAND, RIPARIAN STIPULATIONS

Pg 1 of 3

The following stipulations are derived from the Castlegate CBM EIS, USDI FES No. 92-23. While not all stipulations are applicable to all Federal actions within the EIS area, stipulations which have a check mark in the box are applicable to the federal permit (i.e. APD, ROW etc) referenced below. Included as attachment 1 are the actual stipulations from the Record of Decision for USDI FES No. 92-23, as well as applicable definitions.

Proponent: Huber

Federal Permit Reference: Jensen Fed 1-3

Prepared by: David Mills

Date Prepared: 7/15/02

☒ **Big Game Winter Restriction (December 1 through April 15)**

The Federal action or some portion of the Federal action, associated with this permit lies within big game high priority or critical big game winter range. Construction activities are prohibited between December 1 through April 15 in order to avoid impacts (disturbance or alter habitat use patterns) to wintering big game. A definition of construction activity is included in appendix 1.

☐ **Big Game Fawning/Calving Range Restriction (May 15 through July 5)**

The Federal action or some portion of the Federal action, associated with this permit lies within big game fawning/calving range. Construction activities are prohibited between May 15 through July 5 in order to avoid impacts (disturbance or alter habitat use patterns) to fawning and or calving big game. A definition of construction activity is included in appendix 1.

☒ **Sage Grouse Nesting Habitat Restriction (April 1 and June 15)**

The Federal action or some portion of the Federal action, associated with this permit lies within the perimeter of a buffer zone of 2 miles from known sage grouse leks, also considered nesting habitat. Construction activities are prohibited between April 1 and June 15 in order to avoid impacts (disturbance or alter habitat use patterns) to sage grouse during the nesting season. A definition of construction activity is included in appendix 1.

☐ **Sage Grouse Surface Occupancy Restriction on Known Leks**

The Federal action or some portion of the Federal action, associated with this permit lies in the proximity of a known sage grouse lek. Surface Occupancy is prohibited within the perimeter of this known lek.

☐ **Raptor Survey Requirement**

The Federal action or some portion of the Federal action, associated with this permit lies within habitat known to be used or is considered to be potential habitat for nesting raptors. The proponent or permit holder is required to conduct raptor surveys to determine the status of known nests and verify presence of additional nests in the affected area of this Federal action.

Surveys are to be conducted by consultants qualified to conduct such surveys and approved by the authorized officer. All surveys would be conducted by helicopter during May of each year unless otherwise provided for in BLM's Raptor Survey Protocol. The surveys are to be completed in the same year as the proposed drilling/construction so that current nest activity status data is available prior to APD/Federal Permit approval. Cost for surveys and preparation of a report of the findings of the survey would be the obligation of the lease holder.

☐ **Raptor Nest Site Buffer Zone Surface Occupancy Restriction**

The Federal action or some portion of the Federal action, associated with this permit lies in the proximity of a known raptor nest site buffer zone. Long term surface occupancy (i.e. wells, above ground facilities etc.) is prohibited within the perimeter of any known raptor nest site buffer zone (.5 mile radius around a nest site) in which the nest has been classified as occupied within the last three years, definition in appendix 1.

This provision will apply as long as the nest status remains documented as occupied. If the nest is documented as unoccupied for a period of three or more consecutive years, it will be deemed to have been abandoned and the federal action will no longer be subject to the no surface occupancy provision.

In the event a federal action involving a permanent facility, as described above, is proposed within the .5 mile bufferzone, BLM can complete a site specific evaluation. The evaluation will consider site terrain features such as topographic and vegetative screening, and existing intrusions which may already exist in the bufferzone. Site specific standard guidelines used in this analysis are available in the Price Field Office. If the site specific evaluation determines that the federal action can be accommodated with no significant adverse affect to the current or future productivity of the nest, the no surface occupancy provision can be waved.

☐ **Raptor Nest Site Seasonal Restriction/Temporary Occupancy (February 1 through July 15)**

The Federal action or some portion of the Federal action, associated with this permit lies in the proximity of a known raptor nest site buffer zone. Any temporary surface disturbance and occupancy (i.e. road and pipeline line construction, etc.) associated with this federal permit, occurring within .5 miles of a raptor nest documented as occupied in one or more of the three years preceding the proposed date of construction must be conducted outside the nesting period of February 1 to July 15. This will include but not be limited to road construction or upgrading required to reach this well location. If such work is required to access this location with heavy equipment, the seasonal closure of February 1 to July 15 will also apply to the drilling of this well.

☐ **Road Density and Location Restriction**

The Federal action or some portion of the Federal action, associated with this permit involves new road construction. Construction of new roads should be minimized wherever possible. New roads would be located away from ridge tops to maximize screening wherever possible, unless engineering limitation or landowner requirements prohibit a chosen location.

☐ **Perennial Stream and Springs Protection**

The Federal action or some portion of the Federal action, associated with this permit lies in close proximity to a perennial stream or spring. Wells will be located a minimum of 660 feet from known springs and 330 feet of the centerline of perennial streams to ensure that drilling operation will not have any impact.

☐ **Wetland Surface Occupancy Restriction**

Well locations will be relocated within the 160 acre spacing to avoid surface disturbance in wetlands. Disturbance of wetlands by road crossings will be coordinated by the Utah Division of Water Quality as they prepare the required stream crossing permit.

☒ **Fish and Wildlife Enhancement/Mitigation Program**

Contribute \$750.00 into the Fish and Wildlife Enhancement/Mitigation program, as per Cooperative Agreement between BLM, Huber and Utah Division of Wildlife Resources, for each well drilled in the Castlegate Coalbed Methane project area.

☐ **Special Circumstance Wildlife Stipulation (Write In)**

Big Game Winter and Fawning/Calving Habitat (USDI FES No. 92-93, Record of Decision): Construction activities will be prohibited in critical elk winter range between December 1 and April 15, high value mule deer winter range between December 1 and April 15, and any range identified as a mule deer fawning or elk calving habitat between May 15 and July 5. This does not include maintenance and operation of existing wells.

Sage Grouse (USDI FES No. 92-93): Construction activities will be restricted within 2 miles of all known sage grouse leks between April 1 and June 15. No surface occupancy will be permitted on known leks.

Raptor Nest Site Protection (USDI FES No. 92-93): Raptor inventories will be conducted each year between May 15 and June 15 to determine the status of previously identified nests to locate any new nests in areas where surface-disturbing activities are planned. Such inventory work must be conducted by personnel qualified in raptor inventory techniques and coordinated with the Authorized Officer and the Utah Division of Wildlife Resources (UDWR). Active raptor nest will be protected from disturbance by prohibiting any activity within 0.5 miles of the nest

Wildlife Displacement/Offsite Mitigation (USDI FES No. 92-93): PG&ER will mitigate unavoidable impacts of maintenance and operation of existing wells and facilities and impact of wildlife displacement resulting from human presence by participating in a Fish and Wildlife Habitat Enhancement Program. PG&ER will join into a Cooperative Agreement with BLM and UDWR outlining the specific enhancement parameters and projects to be utilized.

Road Density and Location Restriction (USDI FES No. 92-93): Construction of new roads should be minimized wherever possible. New roads would be located away from ridge tops to maximize screening wherever possible, unless engineering limitation or landowner requirements prohibit a chosen location.

Perennial Stream and Springs Protection (USDI FES No. 92-93): Wells will be located a minimum of 660 feet from know spring and 330 feet of the centerline of perennial streams to ensure that drilling operation will not have any impact.

Wetland Surface Occupancy Restriction.(USDI FES No. 92-93): Well locations will be relocated within the 160 acre spacing to avoid wetlands. Disturbance of wetlands by road crossings will be coordinated by the Utah Division of Water Quality as they prepare the required stream crossing permit.

Construction Phase Activity: Construction phase activity is considered to include all work associated with initial drilling and construction of facilities through completion, including installation of pumping equipment, connection with ancillary facilities and tie-in with pipelines necessary for product delivery. Specific activities considered to be covered by the seasonal closure include all heavy equipment operation including but not limited to the following:

- Mobilization/Demobilization or operation of heavy equipment (crawler tractor, front end loader, backhoe, road grader, etc.)
- Construction activity (road construction or upgrading, pad, pipeline, powerline, ancillary facilities, etc.),
- Drilling activity (operator would not propose or initiate drilling activity if the project could not reasonably be expected to be finished to a logical stopping point by the start of applicable seasonal closure date.
- Seismic operation, detonation of explosives

This seasonal closure would not apply to reconnaissance, survey/design and/or flagging of project work or other similar activity not requiring actions listed for heavy equipment operation.

Occupied Raptor Nest Site Definition: An occupied raptor nest is defined, for the purposes of this stipulation, as any nest site exhibiting physical evidence of current use by raptors. Evidence may include but is not limited to: presence of raptors (adults, eggs or young) at the nest or within the nesting territory, presence of greenery in the nest, and/or presence of current year's whitewash at the nest or in the immediate vicinity of the nest.

C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the BLM Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24-hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed, with the Moab Field Office, for approval of all changes of plans and subsequent operations in accordance with 43 CFR § 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Price Field Office is to be notified.

First Production- Should the well be successfully completed for production, the Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Price Field Office. The Price Field Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR § 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order 7.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Price Field Office or the appropriate surface managing agency.

TABLE 1

NOTIFICATIONS

Notify: Don Stephens (work: 435-636-3608, home: 435-637-7967) or
Mike Kaminski (work: 435-636-3640, home: 435-637-2518) of the BLM,
Price Field Office for the following:

2 days prior to commencement of dirt work, construction and reclamation;

1 day prior to spudding.

If the people above cannot be reached, notify the Moab Field Office at (435) 259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at (435) 259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer	Office: (435) 259-2117
	Home: (435) 259-2214

PERMITS WEST, INC.
PROVIDING PERMITS for LAND USERS
37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

September 7, 2002

Diana Mason
Utah Div. of Oil, Gas, & Mining
P. O. Box 145801
Salt Lake City, Ut. 84114-5801

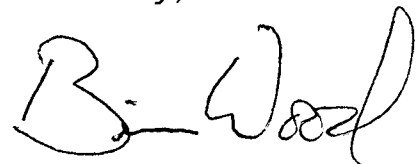
Dear Diana,

J. M. Huber Corporation wishes to renew for one year the following APDs:

~~Huber-Frandsen/Federal 4-15 (API 43-007-30138)~~ - *T12S R10E SEC15*
Huber-Jensen/Federal 1-3 (API 43-007-30732) *(Re-Enter)*
Huber-Jensen 1-18 (API 43-007-30718)

Please call me if you have any questions.

Sincerely,



Brian Wood

cc: Erwin
Sessions
S. Zimmerman

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 09-17-02
By: Brian Wood

COPY SENT TO OPERATOR
DATE: 9-12-02
BY: CHD

RECEIVED

SEP 10 2002

DIVISION OF
OIL, GAS AND MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab Field Office
82 East Dogwood
Moab, Utah 84532



3160
UTU65948
(UT-062)

J.M. Huber Corporation
1050 17th Street, Suite 1850
Denver, Colorado 80265

NOV 4 2003

Re: Extension Request
Well Nos. Huber-Jensen Federal 1-3 and Huber Federal 6-8
Sections 3 and 8, T 12 S, R 10 E
Lease UTU65948
Carbon County, Utah

Gentlemen:

We have received your sundry notices requesting a one year extension to the permit expiration dates for the above referenced Applications for Permit to Drill. Any request for permit extension must be submitted for approval prior to the date of expiration. The approval period for each of these permits expired on August 22, 2003. We are, therefore, unable to grant your request.

In order to drill at these locations, new applications must be submitted for approval. If you have any questions or wish to discuss this matter, please contact Marie McGann at 435-259-2135.

Sincerely,

Isi Eric C. Jones

Acting Assistant Field Manager
Division of Resources

Enclosure

Unapproved Sundry Notices (2p)

cc: UT-070, DStephens (w/Enclosure)
Diana Mason, State of Utah, DOGM (wo/Enclosure)
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114

MMcGann:mm:11/4/03

RECEIVED

NOV 07 2003

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE. Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

J.M. Huber Corporation

3a. Address

050 17th St., Ste. 1850, Denver, Co. 80265

3b. Phone No. (include area code)

(303) 825-7900

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1230' FSL & 1295' FWL

3-12s-10e SLBM

5. Lease Serial No.

UTU-65948

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or CA/Agreement, Name and/or No.

N/A

8. Well Name and No.

Huber-Jensen Fed 1-3

9. API Well No.

43-007-30732

10. Field and Pool, or Exploratory Area

Castlegate

11. County or Parish, State

Carbon, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Request APD approval be extended one year.

REQUEST DENIED

Utah Division of

Oil, Gas and Mining

Date:

By:

RECEIVED

NOV 03 2003

DIV OF OIL, GAS & MINING

cc: BLM-Moab, Croteau, Sessions, UDOGM

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Edie Klein

Title

Consultant

(505) 466-8120

Signature

Edie Klein

Date

10/29/03

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)



State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

MICHAEL O. LEAVITT
Governor

OLENE S. WALKER
Lieutenant Governor

January 12, 2004

Brian Wood
J.M. Huber Corporation
1050-17th St, Suite 700
Denver, CO 80265

Re: APD Rescinded-Huber-Jensen Federal 1-3, Sec. 3, T. 12S, R. 10E
Carbon County, Utah API No. 43-007-30732


Dear Mr. Wood:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on August 21, 2000. On August 29, 2001 and on September 12, 2002, the Division granted a one-year APD extension. On November 7, 2003 the Division received a letter from the Bureau of Land Management (BLM), which states that the permit filed with the BLM was being returned. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective January 12, 2004.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Whitney
Engineering Technician

cc: Well File
Bureau of Land Management, Moab